

State aid: Commission approves €200 million in public support for renewable energy for self-suppliers of electricity in France

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *“This scheme will stimulate competition between renewable energy sources for self-suppliers and will further increase the share of renewables in France’s energy mix. The technology-neutral tenders will contribute to France’s transition to low carbon and environmentally sustainable energy supply, in line with the EU environmental objectives and our state aid rules.”*

The measure is designed to encourage the production of renewable electricity by companies and individuals for their own use (self-consumption), specifically for instances where only a limited part of the electricity they produce is sold to the grid.

The scheme has an indicative budget of €200 million and is financed from the French State budget. It will support the deployment of 490 megawatts of additional generation capacity.

The support is available for small installations with a capacity between 100 and 500 kilowatts. The beneficiaries will be selected through tenders organised until 2020 and in which all renewable energy technologies can participate.

The selected installations will receive support in the form of a premium on top of the market price (so-called “complément de rémunération”). The premium will be granted for a period of 10 years.

The Commission assessed the scheme under EU State aid rules, in particular the Commission’s [2014 Guidelines on State Aid for Environmental Protection and Energy](#). The Commission found that the French scheme will encourage the development of renewable energies for self-consumption and avoid overcompensation for the beneficiaries of the public support, in line with the requirements of the Guidelines.

On this basis, the Commission concluded that the measure will help France boost the share of electricity produced from renewable energy sources to meet its climate targets, in line with the [environmental objectives of the EU](#), while any distortion of competition caused by the state support is minimised.

Background

The Commission’s [2014 Guidelines on State Aid for Environmental Protection and Energy](#) (see full text [here](#)), allow Member States to support the

production of electricity from renewable energy sources, subject to certain conditions. These rules are aimed at meeting the EU's ambitious energy and climate targets at the least possible cost for taxpayers and without undue distortions of competition in the Single Market. The [Renewable Energy Directive](#) established targets for all Member States' shares of renewable energy sources in gross final energy consumption by 2020. For France that target is 23% by 2020. The scheme aims to contribute to reaching that target.

More information on today's decision will be available, once potential confidentiality issues have been resolved, in the [State aid register](#) on the Commission's [competition](#) website under the case number [SA.49180](#). The [State Aid Weekly e-News](#) lists new publications of State aid decisions on the internet and in the EU Official Journal.